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France had no permanent settlement in these regions, it was patent that there was a grave danger that some other nation, by establishing a colony, would oust the French from these lucrative branches of commerce. Hence recourse was had at various times to giving a monopoly to a few merchants, who bound themselves to take out a certain number of colonists every year. All these attempts were unsuccessful. The colonizing conditions were evaded by the successive monopolists, and in 1628 there were but two families of colonists in New France.

This in outline is the instructive story which Mr. Biggar tells with great wealth of detail. He shows forcibly that there was no social movement in France towards colonization and that the establishment of a colony in Canada was due to the desire to protect the fisheries and fur trade. It was an expedient adopted to prevent other nations, especially the English, from competing successfully in these industries. French colonization of Canada did not respond to any direct social or economic impulses of the French nation; it was more of the nature of a makeshift, a means of insuring their valuable commercial relations with the New World. Thus it differs radically from English colonization in North America, and resembles closely in its causative influences the movement leading to English political predominance in India.

Before closing a word of praise should be bestowed on the book from a mechanical standpoint. The printing, paper and binding are of rare excellence. A slip (p. 103) should be corrected: instead of "the peace of Loudron in May 1615," it should read "the peace of Loudun in May 1616."

GEORGE LOUIS BEER.

NEW YORK CITY.

Currency and Banking in the Province of Massachusetts Bay.

By ANDREW MCFARLAND DAVIS. Part I: *Currency*. 1900. xiv, 473 pp. Part II: *Banking*. 1901. xii, 372 pp. Publications of the American Economic Association. New York, The Macmillan Company.

No other topic in American economic history has been treated with anything like such completeness and minuteness as are shown in these two monographs. The history of government paper money in the colony and province of Massachusetts has been written before in general terms, but the present work, in its first part, gives us all the details which prolonged and painstaking investigation could

furnish. Not only have we here an account of the numerous issues of bills of credit from 1690 to 1749, the very forms of the plates being precisely described; but the discussions regarding these issues, the many schemes for restoring specie and checking depreciation, and the devices for adjusting debts are fully set forth. Very interesting is the narration of the almost incessant struggle between the representatives of the people, who demanded inflation, and the royal governors, who sought to check it. Partly through the influence of the governors, partly, apparently, because the desire for an excessive currency was less strong in Massachusetts than elsewhere, the circulation of the bills of that colony itself increased but little from 1716 to 1743. The chief cause of the increasing depreciation during these years was the flood of paper issued by Rhode Island, which passed generally in Massachusetts. Mr. Davis describes briefly the issues of this and the other adjoining colonies.

The author's discussion of the economic lesson of this early New England experience seems to add comparatively little to our knowledge of monetary principles. He presents various tables of depreciation as measured in silver, but fails to establish any very close parallelism between the degree of depreciation and the amount of outstanding paper, whether of Massachusetts or of all the colonies. We find also little new evidence as to the effect of inflation on prices, wages, the relations of debtors and creditors, foreign trade, or general prosperity. Doubtless accurate information on these points is simply unobtainable.

The actual banking experiments in Massachusetts Bay were few and of short duration. The most important were the "land bank" and the "silver bank," both started in 1740. In narrating the history of these institutions Mr. Davis has made his most notable contribution. The land-bank scheme was particularly curious. The so-called stock consisted merely of mortgages on land. The borrowers took their loans in the form of bills issued by the directors of the company of which they constituted the partners. They were bound to pay three per cent interest and five per cent on the principal annually, either in the bills or in specified articles of merchandise at their market value in silver. The bills they proceeded to circulate as money, although they were not redeemable on demand, but only after twenty years, and then in commodities, not in specie. The partners, however, agreed to accept the bills in all payments to themselves. How freely or at what rates these notes actually circulated we are not told, but in any case the experience was too short

to give the scheme a chance to work out its results. Both the land bank and the silver bank were brought to a sudden halt in 1741 by an act of Parliament.

It may perhaps be questioned whether our author has not treated his subject with unnecessary fullness. To devote more than 900 pages to the currency experiences of a single colony a century and a half ago, experiences whose lessons have long since been learned, at least by intelligent people, and which are taught with greater force by much more recent history, seems to the present reviewer to savor of supererogation of scholarship. Throughout we find many details which appeal only to the antiquarian. They are interesting in a way, but not because of their economic significance. This is especially true of the part on banking. The schemes above mentioned were so obviously "half baked," that, even had they continued long enough to demonstrate clearly their folly, they would have taught us little as to the possibility of banking based on land or other commodities. A large amount of space is taken up with summarizing the almost innumerable books, pamphlets, projects of law and discussions regarding banking which appeared both in England and in America during the seventeenth and eighteenth centuries. While these all have a curious interest, and while some of them have a real historical value from their influence on modern banking practice, many are but shallow and ephemeral, comparable to the deluge of cheap publications on money questions issued in the United States during recent political campaigns. The trend of thought might have been shown clearly, we think, with greater brevity. As an illustration of unnecessary minuteness may be cited the long and excessively detailed account of the way in which the appropriation by the British Parliament to reimburse the expense of the Louisburg expedition was pushed through to final enactment, and the circumstantial description of the methods employed in collecting and transporting the money. And again, an inordinate amount of space is devoted to the history of the prolonged negotiations for settling the claims left outstanding after the closure of the land bank, though the amount of these claims was quite insignificant. While the thoroughness and accuracy of Mr. Davis's work deserve high commendation, they could have been secured in less space, to the advantage of the reader.

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